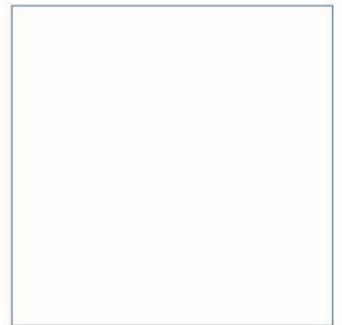
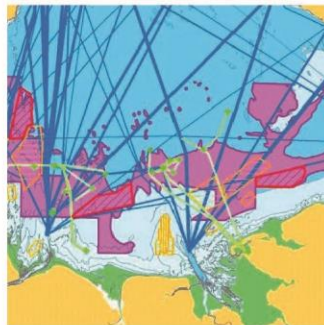
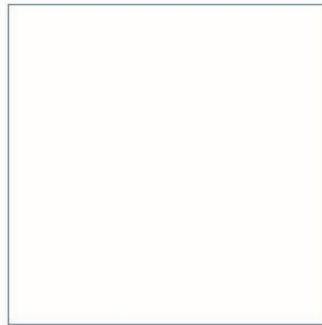
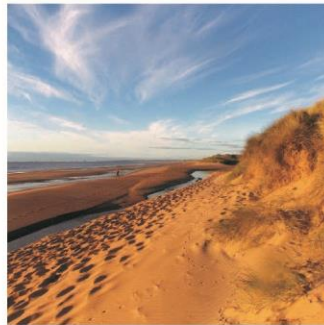


Appendices



Innovative Thinking - Sustainable Solutions

A Swansea Bay FLAG Programme

A.1 Introduction

An initial baseline evaluation of the Swansea Bay (SB) Fisheries Local Action group (FLAG) was published in May 2020 which described the SBFLAG's structure, procurement processes, project expenditure, project outcomes and progress towards the FLAG's objectives up to 31 January 2020.

The purpose of this final evaluation is to provide an assessment of the overall performance of the Programme at administrative body and project level, the latter with respect to meeting the EMFF and LDS objectives, and with respect to the long-term impacts of the project outputs. The final evaluation will also highlight any lessons to carry forward for implementing any future funding schemes.

A.2 Background

The SBFLAG was originally established as a local partnership in 2012 in response to opportunities opened up through Union Priority 4 of the European Fisheries Fund (EFF) between 2007-2013. The SBFLAG was one of four FLAGs established in Wales, and during the 2007-2013 funding period, covered the Local Authority Areas of Swansea, Neath Port Talbot and Bridgend (SBFLAG, 2018).

Further to successfully overseeing the implementation of the EFF 2007-2013 funding in Swansea Bay, the SBFLAG has continued to administer a second period of funding, the European Maritime and Fisheries Fund (EMFF), between 2014-2020¹. The purpose of this second funding phase was to build on the achievements of the previous EFF programme and move forward with a strategy in a wider geographic area that now includes the Burry Port area as well as the original three Local Authority areas referred to above.

The total amount of EMFF funding available for this phase was £380,000. The projects funded and the final Programme expenditure are described in detail in Appendix C. The outcomes of the funded projects and their contribution towards the strategic objectives of the Programme are described in Appendix D. Key messages and recommendations arising from this evaluation are summarised in Appendix E.

A.3 Vision

The FLAG's vision for Swansea Bay was *"By 2020 we want to see successful, sustainable, economically viable local fishing and associated industries, aware of its heritage and well equipped to meet current and future challenges."* To help achieve this vision, The Swansea Bay Fisheries Local Development Strategy (LDS) was updated for the current funding phase informed by a Fishing Industry Research Study in 2015 and the feedback from consultation with stakeholders in September 2016. The key issues identified through the fisheries study and consultation were translated into themes and objectives (see Table A1) which aligned with the objectives outlined within Union priority 4 of the EMFF Operational Programme (see Section A.4). The project procurement process, which assessed the eligibility of project applications for FLAG funding against these objectives is described in Appendix B.

¹ Implementation of FLAG funded projects has continued into 2021 and the final two projects will be completed in 2022. See Section A.5 for further details on the timeline of the Programme. For ease of reference, hereafter the second phase of funding, under the EMFF, will be referred to as the 2014-2020 funding period.

A.4 EMFF objectives

Union priority 4 of the EMFF is a funding stream aimed at increasing employment and territorial cohesion. The specific objective of Union priority 4 is promotion of economic growth, social inclusion and job creation, and providing support to employability and labour mobility in coastal and inland communities which depend on fishing and aquaculture, including diversification of activities within fisheries and into other sectors of the maritime economy (EMFF Operational Programme).

The UK Operational Programme states that the aim of Union priority 4 is to: Support investment in training, maintaining and developing skills, capacity building, improved local marketing and supply chain logistics, diversification and improved access to match funding.

A.5 LDS objectives

The themes and objectives of the SBFLAG LDS are shown in Table A1 below.

Table A1. SBFLAG Local Development Strategy Themes and Objectives

Theme	Objectives
Theme 1: Adding value, creating jobs, attracting young people and promoting innovations at all stages of the supply chain of fishery and aquaculture products	Objective 1: Improve links with other local food and other producers
	Objective 2: Achieve better links with schools and colleges to encourage young people to help develop the sector
	Objective 3: Support delivery of small-scale infrastructure projects to encourage sustainable growth of the industry
	Objective 4: Creation of opportunities for networking, marketing and promotion of local industry, including supply-chain opportunities
	Objective 5: Provision of support for trying out new processes or adding value to products to help small companies in the fishing industry to grow
Theme 2: Supporting diversification inside or outside commercial fisheries, lifelong learning and job creation in fisheries and aquaculture areas	Objective 6: Support for business to identify diversification opportunities and re-skill within or outside the sector
	Objective 7: Provision of opportunities to develop the tourism sector linked to local fisheries, including pescatourism, eco-tourism and tourist facilities

Theme 3: Enhancing and capitalising on the environmental assets of the fisheries and aquaculture areas, including operations to mitigate climate change	Objective 8: Identification and development of alternative sources of income for the fishing industry such as renewable energy
	Objective 9: Making the most of the local natural environment
	Objective 10: Sustainable and balanced development of the heritage and tourism aspects of the coastline
Theme	Objectives
Theme 4: Promoting social well-being and cultural heritage in fisheries and aquaculture areas, including fisheries, aquaculture and maritime cultural heritage	Objective 11: Support for the promotion of cultural heritage, aquaculture and maritime interests
Theme 5: Local development and the governance of local fisheries resources and maritime activities	Objective 12: To further engage communities and local representatives to support and promote the local industry

Source: SBFLAG LDS (SBFLAG, 2018)

A.6 Programme timeline

The second programme of funding for the SBFLAG started in 2014. Towards the end of the funding phase, in December 2019, the Welsh Government confirmed that whilst the official EMFF Programme period ended on 31 December 2020, the programme would continue to operate and draw down EU funding for three years as agreed under the European Union (Withdrawal Agreement) Act 2020. As such, all EMFF funding in Wales needed to be committed by 31 December 2020, and all project expenditure incurred and claimed by 31 December 2023.

The Programme timeline was later changed², requiring the EMFF funding to be committed by the 30 September 2020 and all FLAG projects to be completed and the funding disbursed by the end of October 2021, with the Programme closing at that time. However, with Welsh Government approval, two of the SBFLAG approved projects will extend into 2022 (see Appendix C). The impact of these changes in the Programme timeline on the ability of the SBFLAG to allocate and disburse funding is described in Appendix C.

A.7 Evaluation of the SBFLAG Programme

The 2020 Baseline Evaluation of the SBFLAG (published in May 2020) assessed the perceived effectiveness of the SBFLAG processes and the relevance of the FLAG's objectives. This final evaluation is focussed primarily on the impacts of the funded projects, with regard to the whether the projects contributed to the SBFLAG LDS objectives, the immediate and longer-term benefits of the project outputs, whether these would have been achieved without the SBFLAG programme, and lessons learned for any future funding programmes. However, this final evaluation also sought feedback on the SBFLAG processes (e.g. procurement) from applicants who had received approval for project funding since 31 January 2020, as well as the above described final evaluation metrics.

² Consultation indicated that the change in timeline was initiated by the European Union (EU) and further to discussions between the EU and the Welsh Government (Lead Body, pers. comm. August 2021).

The impact of the funded projects was assessed via consultation with recipients of SBFLAG funding, FLAG members and wider stakeholders within the FLAG area during the baseline and final evaluations. Consultees participated in semi-structured interviews in which they were presented with a range of questions but also invited to discuss any aspect of their experience of the SBFLAG. The questions put to the consultees in the evaluation are shown below.

Questions for recipients of SBFLAG funding:

1. Please can you provide a brief overview of the project, including the project aims?
2. How did you find the application process with respect to ease of use? How helpful were any guidance documents available to you or any support provided by the SBFLAG during the application process?
3. Do you think the processes and procedures of the FLAG are appropriately transparent?
4. Is the project complete? If not, when is the project expected to be delivered by?
5. What has the project achieved to date (with respect to outputs) and what have the benefits and impacts been?
6. What do you anticipate the longer-term benefits will be (if the project is complete) or what do you expect the project to achieve once it is complete? Who will benefit?
7. Could the project have been implemented without FLAG funding?
8. Are there any other points you would like to raise?

Questions for FLAG Members and wider stakeholders:

1. How long have you been a SBFLAG member and how did you become a member?
2. How did the FLAG assess project applications? Was the process clear?
3. How effectively do you feel the FLAG was in undertaking its role in assessing applications, procuring projects, promoting the FLAG programme etc.?
4. How well do you think the FLAG funding criteria met the needs of the local fisheries and aquaculture sectors?
5. Have you received feedback from the local community/wider stakeholders about the FLAG funded projects that have been delivered/are being delivered?
6. What do you think the benefits of the SBFLAG have been for the local community? Are the benefits long-term?
7. Do you think there are any key lessons arising from this round of FLAG funding that would benefit any future funding programmes? If so, what?
8. Are there any other points you would like to raise?

The key messages delivered via the consultation are detailed in the subsequent appendices, whilst recommendations informed by the consultation are presented in Appendix E.

B Programme Administration

The UK Marine Management Organisation (MMO) is accountable for the EMFF 2014-2020 programme across the UK, with delivery responsibility delegated to Intermediate Bodies. In Wales, Rural Payments Wales (RPW) is the delegated Intermediate Body. The FLAG Programme is delivered by individual FLAGs via Lead Bodies, which administer and manage the funding allocated to their specific FLAG. The roles of the SBFLAG Lead Body and the Welsh Government are described in further detail below.

B.1 Lead Body: Swansea Council

Swansea Council is the Lead Body for the SBFLAG, undertaking programme and project management, financial and administrative functions, technical appraisal of grant applications (described further in Section B.6 and the submission of claims for funding to the Welsh Government (SBFLAG, 2018).

There are three staff members, housed within Swansea Council, involved in administering the FLAG, who undertake the following roles:

1. Animator (1 Full-Time Equivalent (FTE)): one of the main values of Community Led Local Development (CLLD) is the ability of the FLAGs to get out into the community and encourage and support individuals and groups to present projects that contribute to the strategy. The role of the animator is to facilitate and capacity build within the FLAG area so that ideas can be turned into deliverable projects, organising meetings to bring people together and, where necessary, providing specialist technical help or consultancy. The animator is responsible for managing the budget and supporting and monitoring applicants from idea development through to implementation and delivery. The animator is also responsible for providing quarterly FLAG updates to the Economic Development & External Funding Team, the Planning and Regeneration department as well as regular updates to Welsh Government.
2. Finance officer (0.25 FTE): Finance, handles budget queries, statements, any claims, liaises with the Welsh Government to update their systems, handles day-to-day running costs, rules and guidance.
3. Assistant (0.25 FTE): Assists with procurement, ordering goods, setting up meetings, taking minutes, liaising with applicants and general administration.

The staff described above were supported by Swansea Council's Economic Development & External Funding Team, which allocated 0.5 FTE to support the SBFLAG staff with finance and 0.5 FTE to provide further assistance when required.

Information obtained through consultation in August 2021 indicated that the 0.5 FTE resource allocated to the SBFLAG team for finance and administration was not considered sufficient and that the support from the external funding team was vital to fulfilling their duties (see Appendix C for the SBFLAG budget allocation). However, the external funding unit were not able to allocate a dedicated resource for this support (four different finance officers from the Council's external funding team provided support over the programme timeline), and hence sometimes the support staff available were unfamiliar with the SBFLAG processes and procedures hence requiring training (it was stated this became "a constant training process") as well as leading to some delays and clerical errors. For any future funding programmes, it was highlighted that it would be useful to have one dedicated supporting resource from the external funding unit (Lead Body, pers. comm. August 2021).

A further issue raised through consultation with the Lead Body was that the systems used by the Welsh Government for making funding claims (Rural Payment Wales (RPW) online) was designed for rural development programmes (i.e. agricultural funding schemes) and was not felt to be fit for purpose for FLAG funding claims. For example, the information underpinning the SBFLAG funding claim did not 'fit

the fields' required by the RPW system and the Lead Body finance officer had to find alternative ways to input the claim data into the system. The Lead Body felt that this sometimes caused delays in feedback from the Welsh Government. Furthermore, consultation for this evaluation, indicated that conflicting information regarding how to make funding claims was still being received from Welsh Government (Lead Body, pers. comm. August 2021).

B.2 Welsh Government

As noted above, the Welsh Government was the Intermediate Body responsible for the delivery of the EMFF 2014-2020 programme in Wales. As such, the Welsh Government produced guidance notes regarding which activities and costs were eligible for FLAG funding. These guidance notes were updated during the EMFF 2014-2020 funding phase as eligibility criteria for FLAG-funding changed (described further in Section C.1).

Within the Welsh Government, there was a team of three staff involved in the EMFF application process, including approval, appraisal and financial management of FLAG projects. An Implementation Manager was the main point of contact for the FLAG Lead Body, to discuss applications, eligibility (of potential projects for funding) and any queries. Project reviews were undertaken once a project was delivered, or if selected for inspection. FLAG funding claims were processed by staff within a different team.

The Welsh Government had responsibility for undertaking the final eligibility check on project proposals selected by the FLAG, prior to formal approval being issued. This involved checking that the proposal met the eligibility criteria within the EMFF guidance and regulations, that the costs were calculated correctly and that the procurement had been conducted correctly. If the proposal and procurement was compliant, confirmation of the funding offer was issued. The procurement process is described in further detail in Section B.5

Consultation undertaken for the Baseline Evaluation of the SBFLAG in January 2020 confirmed that there were no formal reporting requirements between the FLAG and the Welsh Government.

B.3 Flag Members

SBFLAG membership for the 2014-2020 EMFF funding period was via an application process steered by a 'shadow' FLAG formed at the end of the EFF 2007-2013 programme (SBFLAG, 2018). Whilst a lot of FLAG members from the first funding phase (2007-2013) applied to be members in the second funding phase (2014-2020), new members also joined, including new representatives from the aquaculture sector.

The composition of the SBFLAG membership varied during the course of the funding period. For example, the Baseline Evaluation reported that, as of 31 January 2021 five members had left the SBFLAG since 2017. This included three representatives of the local commercial fishing industry who withdrew their membership of the SBFLAG after 18 months of contributing to the Programme due to the initial restriction on funding capital purchases (this restriction was later lifted; see Section B.6). However, the FLAG membership still retained members with a wide knowledge of commercial fisheries (see Table B1). Table B1 shows the composition of the SBFLAG membership, as of 30 September 2021, which comprised 9 private sector members and 7 public sector members.

The SBFLAG Terms of Reference (TOR) set out the requirements to ensure compliance with regulation EC 1303/2013 Article 32 2(b) which requires community-led local development (CLLD) to be led by local

action groups comprising representation from public and private local socio-economic interests. The TOR state that:

- The composition of the membership of the Group should ensure that no single interest should have more than 49% of the voting rights and be truly representative of relevant local public and private socio-economic interests; and
- Ensure at least 50% of the votes in selection decision are cast by partners which are not public authorities.

Table B1. Composition of SBFLAG members (as of 8 June 2021)

Interest Type	Sector
Private	Marine Biologist
	Commercial Fisherman (Burry Port)
	Swansea Port Health Services
	South and West Wales Fishing Communities
	Swansea Bay Tourism
	Mumbles Development Trust
	Local Aquaculture Production Business (two representatives)
	Burry Port Harbour
Public	Swansea Environment Forum
	BCBC Bridgend Rural Development (REACH) (two representatives)
	Marine Biologist
	Economic Advisor
	Neath Port Talbot Council
	Natural Resources Wales

Source: Data provided by the SBFLAG Lead Body, June 2021

B.3.1 FLAG meetings

The Swansea Bay FLAG LDS states that the FLAG should meet at least on a quarterly basis (SBFLAG, 2018). Between July 2017 and April 2021, sixteen FLAG meetings have been held (i.e. at least quarterly). Figure B1 shows the attendance at FLAG meetings over this time period. The number of FLAG member attendees has ranged between 4 and 13 and all meetings have been attended by at least one public and one private sector representative.

Due to COVID-19, after March 2020, SBFLAG meetings were held virtually via MS Teams. Information provided through consultation indicated that this format worked well and the SBFLAG co-ordinator (animator) felt it improved the efficiency of the meetings as participants did not have travel to the meetings in person (Lead Body, pers. comm. August 2021).

Information obtained through consultation indicated that whilst some FLAG members were very regular attendees at the meetings, others had a very low attendance rate. This led the Lead Body to suggest

that any future funding programme should consider strengthening the rules regarding member's attendance at such meetings.

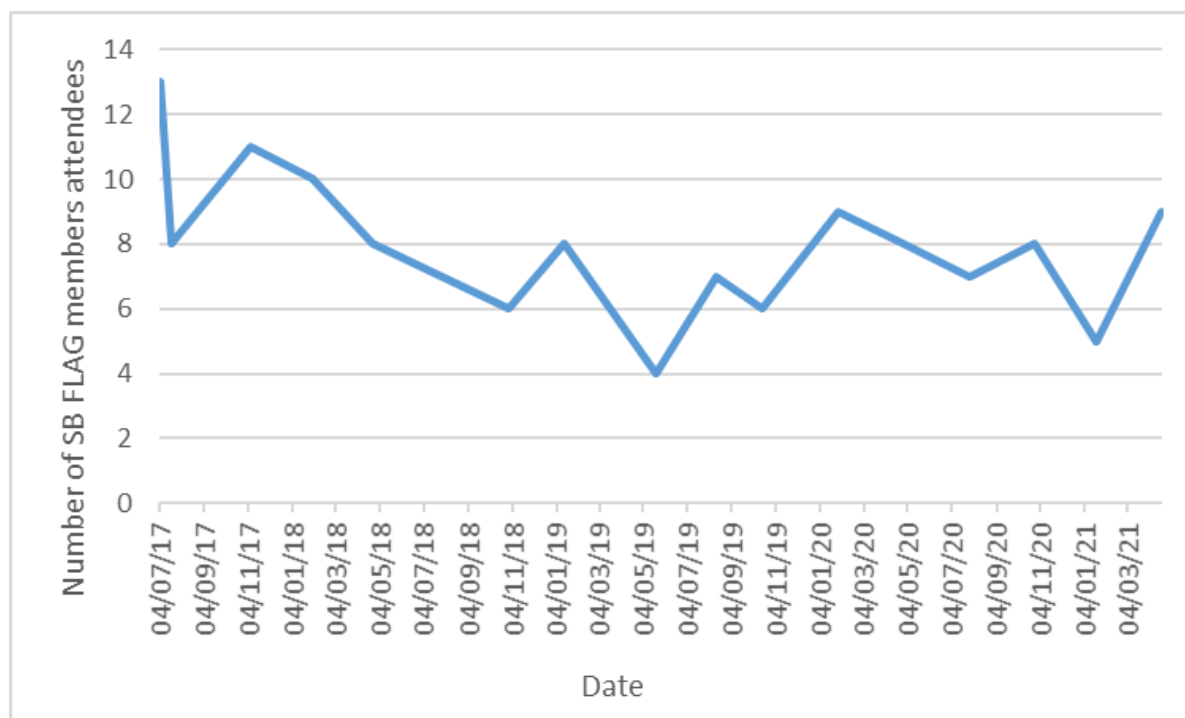


Figure B1. Number of attendees at Swansea Bay FLAG meetings since 2017

B.4 Swansea Bay FLAG communication plan

A SBFLAG communication plan was developed and implemented to promote the EMFF funding opportunities available through the FLAG and highlight the support available for individuals and groups to present projects that contributed to the Swansea Bay FLAG LDS. Engagement methods included social media campaigns via the SBFLAG website and Facebook page and the development of a SBFLAG booklet, produced in hard copy format in English and Welsh for FLAG members to distribute. FLAG funded events (such as the seafood cookery demonstrations; see Appendix C) were promoted to the public and local communities through multiple channels including social media, local newspapers, leaflets and posters.

One SBFLAG member consulted for the final evaluation felt that the Lead Body had done a “pretty good job” of promoting the FLAG Programme given the budget [for doing so], as evidenced by the available correspondence and examples of how information had been disseminated and who the FLAG had contacted.

B.5 The procurement process

B.5.1 The application process

The application process for EMFF funding via the FLAG comprised of two stages:

- i) Submission of a Project Idea Form (PIF); and, if the PIF was approved by the FLAG
- ii) Submission of a full application.

The application forms were available on the SBFLAG website (<https://www.swansea.gov.uk/article/47434/Applying-for-SBFLAG-funding>).

The procurement process was actively supported by the SBFLAG co-ordinator (animator) whose actions included:

- Meeting with stakeholders to discuss project ideas;
- Providing guidance on how to fill out FLAG application forms;
- Providing assistance with checking and writing the application (where required) for FLAG funding.

Welsh Government EMFF 2014-2020 FLAG Guidance Notes (Welsh Government, 2018) were also available to project applicants via the SBFLAG website. However, feedback obtained during consultation for this evaluation indicated that the wording of the Guidance Note was sometimes difficult to understand and interpret, leading to misinterpretation of what was eligible for funding (Lead Body, pers. comm. August 2021). This led the Lead Body to suggest that for any future funding programmes, guidance notes regarding eligibility should be written in a way that is easily understandable for all.

B.5.2 Eligibility criteria and determination process for FLAG funding

The eligibility of project ideas and full applications submitted to the SBFLAG was assessed initially by the SBFLAG Co-ordinator (animator) with respect to meeting the Welsh Government FLAG Guidance and the SBFLAG LDS objectives. If the idea or application was deemed to meet the LDS themes, it was then circulated to FLAG members for approval. Further to approval by the FLAG members, the applicant was invited to complete a full application for approval by the SBFLAG members before sending the application to the Welsh Government for final approval as described in Section B.2.

The Welsh Government EMFF 2014-2020 FLAG Guidance Notes (Welsh Government, 2018) stated that if the activity (project) could clearly demonstrate that it supported the achievement of the objectives of EMFF and the LDS (described in Section A.3 and A.4 respectively) then it would be deemed to be eligible.

However, the activities and costs that were eligible for FLAG funding changed during the funding programme timeline. The initial Welsh Government EMFF 2014-2020 FLAG Guidance Notes (Welsh Government, 2018) highlighted that capital expenditure was ineligible for FLAG funding, as set out in paragraphs 58 and 59 of the guidance:

(58) *"Any expenditure on ineligible activities such as capital or revenue grants to commercial businesses or other support that would constitute State Aid is not eligible under CLLD"; and*

(59) *"The following items or types of expenditure are not eligible under CLLD:*

- Capital expenditure i.e. any single item with a value of more than £10,000 and/or a useful life of more than one year"

The initial ineligibility of capital expenditure was a key difference between the second SBFLAG funding phase (EMFF; 2014-2020) and the previous funding phase (EFF; 2007-2013) in which capital expenditure was eligible. The impact of this capital spend restriction on all of the Welsh FLAGs was noted within the SBFLAG internal progress report (November 2019; provided by the Lead Body) Risk and Issue Tracker which stated that, regarding capital spend: *"The Welsh FLAGs have had difficulty being able to identify projects without a capital element being required, which has resulted in less projects and less interests in requests for funding"*. The Baseline Evaluation of the SBFLAG published in 2020 reported that up until 31

January 2020 (when the baseline evaluation was completed), the capital spend restriction had resulted in some members of the local fishing community withdrawing their membership from the FLAG and had negatively impacted the ability of the FLAG to identify relevant projects for funding, and thus on the disbursement of funds and on FLAG outcomes.

In February 2020, following a restructure and new leadership, the restriction on capital expenditure was removed by the Welsh Government and the SBFLAG's implementation budget was amended by the Welsh Government to enable £140,000³ to be allocated to capital projects before the funding allocation deadline (30 September 2020). The change in eligibility criteria was described as "a massive change" by the Lead Body (as there had been limited further eligible project ideas up to that time) and enabled funding to be approved and allocated to three projects with a capital spend element between February 2020 and September 2021 (see Appendix C). A recommendation for any future funding programmes was that prior to its launch it would be beneficial for the Intermediate Body to consult with the FLAGs (or equivalent body) to identify the funding needs of the target community/sectors and to focus the funding around those needs. If this had occurred, the SBFLAG would have highlighted the demand in their FLAG area, for example, for harbour infrastructure and other elements that required capital funding.

B.6 Views on the SBFLAG processes

Table B2 presents views on the processes of the SBFLAG programme. These processes include:

- The administration of the programme;
- The effectiveness of delivering the programme with respect to engagement and communications;
- The procurement and determination processes; and
- The relevance of the eligibility criteria with respect to the needs of the local fisheries and aquaculture communities.

³ £70,000 in financial year 20/21 and £70,000 in financial year 21/22.

These views were obtained through consultation undertaken for the baseline and final evaluations with the Lead Body, SBFLAG funding applicants, FLAG members and wider stakeholders (n=7) and have been presented in an anonymised form.

Table B2. Views on the SBFLAG processes obtained during consultation

Baseline Evaluation	Final Evaluation
<p>Administration and effectiveness in delivering programme</p> <ul style="list-style-type: none"> ▪ The FLAG is meeting regularly but meetings have been poorly attended. ▪ Encouraging the fishermen to engage has been hard due to the restrictions on eligible projects for funding. ▪ Not really driven by members as the fishing community is relatively small and there is difficulty in engaging with commercial fishermen. ▪ Not undertaking the role very effectively. Most money spent on administrative things. 	<p>Administration and effectiveness in delivering programme</p> <ul style="list-style-type: none"> ▪ The staff resource allocated to the SBFLAG team for finance and administration was not sufficient and Council support staff (external to the SBFLAG team) was vital to fulfilling their duties. ▪ The Council support was not a dedicated resource, hence staff required training in SBFLAG processes, sometimes leading to delays and clerical errors. ▪ The Welsh Government system for making funding claims (Rural Payment Wales (RPW) online) was not felt to be fit for purpose for FLAG funding claims. ▪ Conflicting information regarding how to make funding claims was received from Welsh Government. ▪ The Lead Body had done a “pretty good job” of promoting the FLAG Programme given the budget.
<p>Procurement and determination processes</p> <ul style="list-style-type: none"> ▪ The application process is complicated and not clear, and the Welsh Government guidance has been confused and incomplete from the start. Several changes in the guidance compounded this issue. ▪ The animator appeared to have been given the wrong information and guidance from the start. ▪ Applications are generally supported by the FLAG but the variety in types of project has been limited. 	<p>Procurement and determination processes</p> <ul style="list-style-type: none"> ▪ The Guidance Note was difficult to understand and interpret, leading to misinterpretation regarding eligibility. ▪ The Guidance notes were technical and daunting. ▪ The application forms were well designed; clear what information was wanted. ▪ Project Idea form resulted in good feedback from FLAG members and helped the project idea to evolve for the full application. ▪ Supporting material was available. ▪ Excellent / good support from animator. ▪ Being able to contact a named person useful. ▪ Sometimes quite difficult to understand the FLAG processes and procedures. ▪ Good communication / interpretation of the regulations from the animator. ▪ Dissemination process between LB and FLAG members worked fine. ▪ Lack of clarity over how conflicts of interest in project approval process were handled, and how members assessed applications.

Baseline Evaluation	Final Evaluation
<p>Relevance of funding criteria to local fisheries and aquaculture sectors</p> <ul style="list-style-type: none"> ▪ The FLAG funding currently does not meet the needs of the fisheries and aquaculture sector. ▪ Money spent is not particularly usefully spent, like most EU money. ▪ Wales is significantly behind other FLAG regions (England, Scotland and Ireland) with respect to FLAG approved activity due to having a capital allowance enabling them to support a wider range of projects. In Wales, the capital spending issue is greatly restricting project eligibility and has resulted in at least one application to the SBFLAG not being made. ▪ The spend to date has been restricted to revenue spending which is useful but the fishing community would benefit from having more capital investment to improve safety and welfare. ▪ The LDS is a not a good use of administrative time and effort. ▪ The LDS refers to food festivals, but Welsh Government had not allocated money for festivals. ▪ The [EU funding] mechanism as a whole is the problem. The money has not gone to help productive enterprise. Like most EU money, it has not been spent in a particularly usefully way. ▪ The change in capital spend restriction may be too late. 	<p>Relevance of funding criteria to local fisheries and aquaculture sectors</p> <ul style="list-style-type: none"> ▪ The funding criteria do not meet the needs of local fisheries and aquaculture very well. ▪ Not clearly defined in the criteria who the FLAG is for (e.g. community, specific industry, individual businesses?), what the goal is and how this fits in with other funding programmes. ▪ The 'narrow' funding criteria at start resulted in low numbers of project ideas, criteria were later changed; ▪ Change in funding criteria over time suggests the initial scope of the FLAG programme was not initially well thought out.

C Programme Budget and Expenditure

C.1 Budget allocation

The total budget for the SBFLAG was £380,000, which was split between FLAG running costs, animation costs and project implementation as shown in Figure C1.

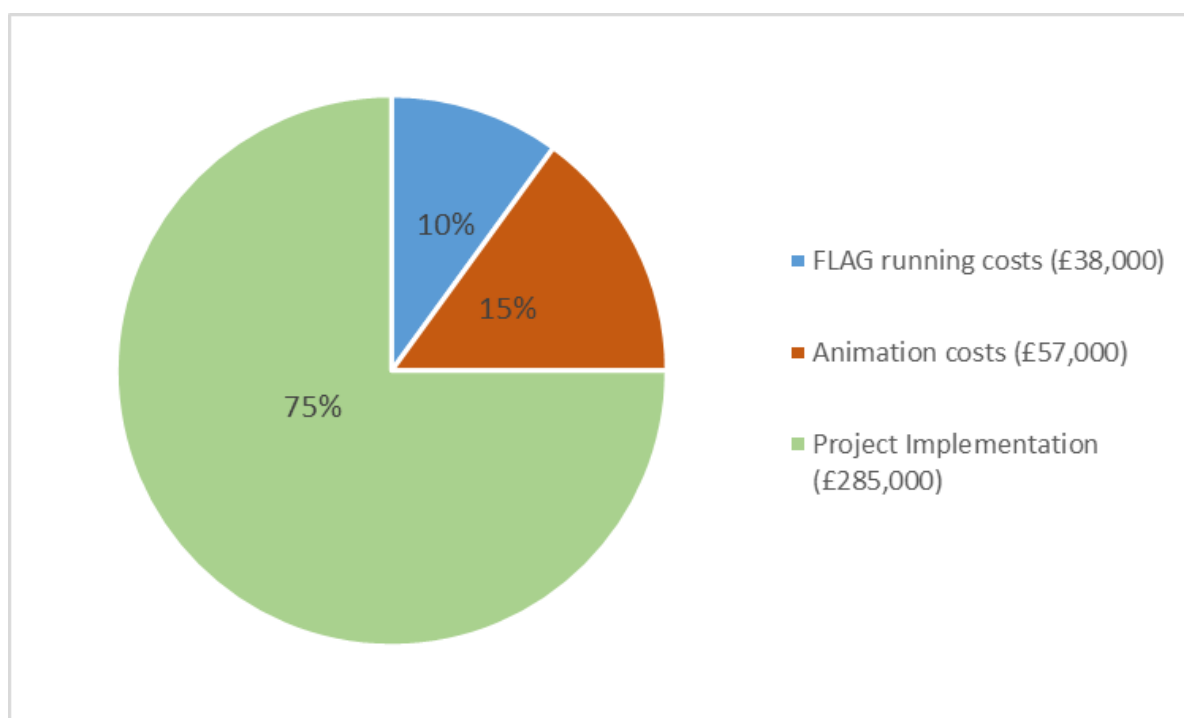


Figure C1. SBFLAG by budget type

Information obtained through consultation for this final evaluation indicated that the SBFLAG Lead Body was initially led to understand that any FLAG staff costs and travel related to project implementation was eligible to be claimed from the project implementation budget. This interpretation was based on discussions with the previous EFF (2007-2013) SBFLAG co-ordinator who confirmed that the Welsh FLAG leads were advised at a meeting in 2015-16 with the then Welsh Government's Head of the Scheme Management Unit (SMU), that the budget should be split as follows: 10% running costs, 15% animation and 75% implementation. As such, the 2020 SBFLAG Baseline Evaluation report described how initially within the project implementation budget, £132,245 was allocated to be available to award as project funding whilst the remainder (£152,755) was allocated to support staff costs and travel related to project implementation.

However, further to a meeting between the EMFF Wales Intermediary Body and the Welsh FLAG network in September 2019, the current head of the SMU issued a guidance note in December 2019 stating that "FLAG staff costs cannot be claimed against implementation costs" and that "The total expenditure of proprietary, animation and running costs at the end of the programme period cannot exceed 25% of the total FLAG expenditure i.e. the eligible 'implementation' costs must cover at least 75% of total FLAG expenditure". As such, all of the Welsh FLAGs were required to re-profile their expenditure, making the necessary changes to the implementation budget. However, it can be noted that the Welsh Government

offered a limited funding guarantee if the eventual running costs exceeded 25% of the final expenditure incurred under the FLAG (i.e. they would cover these costs). Furthermore, the Welsh Government agreed

to cover the costs of the FLAG staff time and costs that had been incurred up to that time, for the implementation of projects, from Welsh Government's Domestic Funds (approximately £99,000; Lead Body pers. comm. August 2021).

The resulting budget redistribution resulted in a total of £285,000 being available to award for project funding and required the SBFLAG to identify additional projects to allocate the additional funding to in a relatively short time (between February 2020 and September 2020). The SBFLAG reported that they were able to identify additional projects quickly as the team had established a 'pipeline' of project ideas through liaison with stakeholders throughout the programme and had a "drive to sign off projects quickly" (Lead Body, pers. comm. August 2021).

In May 2021, the SBFLAG Lead Body requested a further £50,000 for a capital expenditure project (Establishment of a mobile pontoon on the River Tawe). Although this request was originally denied, subsequently the Welsh Government did offer the SBFLAG a further £28,500 for existing or new FLAGfunded projects. The additional funding arose from fluctuation in the exchange rates since the start of the FLAG programme (assumed 2014), such that there was scope to allow "over-programming" of the FLAG implementation projects of up to 10%, equating to roughly £28,500 per FLAG (Lead Body, pers. comm. October 2021). The distribution of this additional funding between three existing approved projects (Harbour Improvements; Ice machine and a Pontoon on the River Tawe; see Table C1) was being finalised at the time of writing (October 2021).

C.2 Total expenditure

This section summarises the allocated expenditure of the SBFLAG as of 30 September 2021.

Table C1 shows the FLAG expenditure and allocation to 30 September 2021 (the deadline for funding allocation). Each project is described further in Appendix D. The table also shows who applied for the project funding and, where different, who delivered the project. The table indicates that for five out of the nine approved projects, the applicant was the SBFLAG. This was because if the SBFLAG were the applicant, the project was eligible for 100% funding, rather than say 50-75% for small community groups. Hence, if the FLAG members felt the proposed project was going to benefit the community, they could offer to become the applicant. In this way the delivery and outcomes of that project were then owned by the SBFLAG and could be shared with the wider community and not just one enterprise (Lead Body, pers. comm. October 2021).

Table C2 shows the FLAG project expenditure up to 30 September 2021 by activity type. Out of the total SBFLAG funding available for project implementation, 64% (£183,587) was allocated to projects with a capital investment element. Hence if the capital expenditure restriction had not been lifted, it seems reasonable to assume that the SBFLAG would not have been able to fully allocate the available SBFLAG funding within the funding timeline.

Table C1. Status of FLAG-funded projects (as of 9 November 2021)

Project	Type of Study	Funding Applicant	Project Delivered By	% Funded	Revenue (£)	Capital (£)	Status
Seafood Cookery Demonstrations *	Education	SBFLAG	SBFLAG	100	7,055		Complete
Oyster Feasibility Study	Feasibility	SBFLAG	Contractor	100	4,999		Complete
Fish is the Dish	Education	SBFLAG	Contractor	100	£53,860		Due for completion October 2022**
Copper Jack feasibility study	Feasibility	Community Trust	Contractor	100	4,602		Complete
Burry Port Auction House Feasibility Study	Feasibility	Local Business	Contractor	100	8,000		Complete
Mobile pontoon on River Tawe	Capital	SBFLAG	SBFLAG	100	0	137,773.70	Due for completion May 2022***
Burry Harbour improvements	Capital	SBFLAG	Contractor	100	0	58,016.06	Due for completion December 2021
Oyster Restoration Plan	Resource management	SBFLAG	Contractor	100	24,428		Due for completion September 2021
Ice Machine	Capital	Local business	Local business	50		2,639.99	Waiting on approval
Total SBFLAG expenditure (revenue and capital)					301,374.29		

* This project received additional funding of £1,796 from Menter a Busnes (MAB) Seafood Festival Fund (Seafood Market Development and Growth Project). See Appendix D for further details ** Welsh Government have given approval for this project to continue into 2022, due to the impact of COVID-19 which delayed delivery of this schools education project.

*** Initial target completion date was October 2021, however, due to various factors (e.g. expansion of original pontoon design, stakeholder and consenting body consultation and the requirement to obtain planning permission), the project completion date is now expected to be Spring 2022.

Source: Data provided by Lead Body 5 August 2021

Table C2. FLAG project expenditure (up to 30 September 2021) by activity type

Project Type	No. of Projects	Total Expenditure (£)	% of Total FLAG Project Expenditure
Feasibility	3	17,601	6
Education	2	60,915	21
Capital investment	3	198,430	64
Resource Management	1	24,428	9
Total	9	301,374	

Source: Calculated from data provided by Lead Body on 11 November 2021

D Project Outcomes and Impacts

D.1 Project outcomes and contributions to SBFLAG objectives

Table D1 presents the projects that were approved and awarded funding from the SBFLAG by 30 September 2021. The table provides an overview of each project and a brief description of the project output(s).

It should be noted that, in contrast to the original EFF funding programme from 2007-2013, the SBFLAG was not able to award EMFF funding for the delivery of food festivals. As such, any applicants wanting to deliver a food festival were signposted to the *Menter a Busnes* (MAB) scheme⁴ (an independent economic development company reporting to Welsh Government). Table D2 describes the projects that received funding through MAB and were delivered within the SBFLAG area.

Table D3 highlights which objectives are being delivered by completed or approved SBFLAG projects (as of 30 September 2021). The objectives that the project contributed to was stated in the project applications and reviewed by the SBFLAG Lead Body when the project applications were received. If the project idea or proposal met at least one objective, the idea or application was submitted to FLAG members. During the final project approval process the Welsh Government also checked that the proposal met the eligibility criteria within the LDS.

The table shows that all of the LDS themes and objectives were supported by the portfolio of SBFLAG funded projects, although there was a variation in the extent to which some of the objectives were supported. For example, eight of the nine projects were considered to contribute to objective 9 (making the most of the local environment), whilst objectives 2, 5, 6 and 8⁵ were only supported by two of the nine projects each. Given that two of the projects that contributed to objectives 5, 6 and 8 are projects with a capital expenditure, it is considered likely that the initial restriction on capital expenditure within proposals did contribute at least in part to the lack of projects directly contributing to these objectives.

⁴ <https://menterabusnes.cymru/about/>

⁵ Objective 2: Achieve better links with schools and colleges to encourage young people to help develop the sector; Objective 5: Provision of support for trying out new processes or adding value to products to help small companies in the fishing industry to grow; Objective 6: Support for business to identify diversification opportunities and re-skill within or outside the sector; and Objective 8: Identification and development of alternative sources of income for the fishing industry such as renewable energy.

Table D1. Projects awarded funding from the SBFLAG

Project	Description	Output
Seafood cookery demonstrations at Swansea market (£7,055)	Seafood cookery demonstrations were held in Swansea Market in September 2019 over a 5 day period. Local chefs gave live cookery demonstrations using local seafood purchased in Swansea market, including cockles and laverbread, enabling the audience to see and taste the food prepared. Recipe cards were given out so that people could purchase the ingredients within the market and try the recipes at home. The cookery demonstrations also included other local businesses selling wines and preserves. Additional funding of £1,796 was received from Menter a Busnes (MAB) Seafood Festival Fund (Seafood Market Development and Growth Project) (see Table D2). These monies were spent on marketing and promotional materials.	Event raising awareness of local seafood.
Oyster feasibility Study (£4,999)	Swansea Bay and Gower native oyster survey - a survey of the wild native oyster population in Swansea Bay and along the Gower coast to establish the current status of native oysters. The resulting information can be used to underpin appropriate management of this once important commercial species and this information can inform the potential for future fisheries.	Feasibility report
Fish is the dish (£53,860)	Building on a smaller, but previously successful delivery of Fish is the Dish in 2014, the Fish is the Dish 2020 project will focus on raising awareness of local seafood, sustainability issues, and the health benefits of seafood amongst primary school students aged 9-11 years old. It is anticipated the project will involve at least half of the 191 primary schools in the FLAG area and provide an education pack and interactive cooking lessons.	Education events and resources for schools
Copper Jack Feasibility Study (£4,602)	A feasibility study to design and cost for a mobile landing pontoon to enable the Swansea Community Boat 'Copper Jack' to moor alongside existing river quays that served the historic Copper Works. The study also updated costs for extending the visitor boat trip from the Taw Navigation to the Swansea and Tennant canals to support longer-term aspirations to bring together Swansea's Maritime and Fishing, Copper Works and Inland Waterways Heritage to create a heritage visitor destination of national importance.	Feasibility report (which contributed to securing a subsequent SBFLAG funded capital investment project; see Mobile pontoon on River Tawe) and promotional video.
Burry Port Auction House Feasibility Study (£8,000)	A study to understand the feasibility of increasing productivity and adding value (e.g. grade, clean, process) to locally supplied seafood to enable supply into new and larger markets, and of establishing an auction house.	Feasibility report (which led to a further funding application)

		to take parts of the work forward)
Mobile Pontoon on River Tawe (£137,774)	Provision of a landing pontoon at Copper Works Quay (further to Copper Jack feasibility study)	Infrastructure
Project	Description	Output
Harbour improvements (£58,016)	Purchase of equipment for harbour improvements across the four SBFLAG harbours: Porthcawl marina, River Afan, Swansea Marina and Burry Port Harbour. Equipment included harbour lighting, installation of electrical power to pontoons, defibrillators and Atlantis Pedestals where required.	Infrastructure and equipment
Oyster Restoration Plan (£24,428)	Development of a native oyster restoration plan for Swansea Bay. The plan will outline the key actions and associated work packages necessary to establish a healthy and self-sustaining native oyster population which could again support a fishery in the Bay and around the surrounding coast together with the significant associated ecosystem services and benefits provided by oysters. The plan will also outline potential shore-side cultural and heritage activities that may be associated with restoration. Key outputs will include a roadmap and timeline and identify key stakeholders best placed to deliver actions. The plan will enable FLAG members and stakeholders to deliver key work packages by targeting additional relevant funding.	Action plan for oyster restoration in Swansea Bay
Ice Machine (£2,640; if approved)	An ice machine and an ice bin will be purchased and set up at the site of a local aquaculture production business, so that daily ice can be made to support the onsite mussel farm. The equipment will be used for mussel packaging and holding (keeping them fresh whilst on land for longer periods of time, therefore creating larger delivery time slots), and have the ability to provide support to local seafood projects	Equipment

Source: Data/information provided by Lead Body and consultation with funding recipients

Table D2. Food festival projects in the SBFLAG area, funded through the Menter A Busnes Scheme

Project	MAB Funding (£)	Description
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Mumbles oyster festival	£993.40	Festival celebration of the heritage of the Mumbles Oyster and inshore fisheries of Mumbles, Gower and Swansea Bay. The event was delivered in October 2019 in Mumbles and included an oyster bar, cooking demonstrations, local produce market and educational workshops.
Seafood Cookery Demonstrations	£1220.10	Additional funding of £1,220.10 was received from MAB Seafood Festival Fund (Seafood Market Development and Growth Project). These monies were spent on marketing and promotional materials.

Source: SBFLAG website and data provided by Lead Body

Table D3. LDS themes and objectives being delivered by the projects completed/approved up to 30 September 2021

Project	Theme 1					Theme 2		Theme 3			Theme 4	Theme 5
	Objective 1	Objective 2	Objective 3	Objective 4	Objective 5	Objective 6	Objective 7	Objective 8	Objective 9	Objective 10	Objective 11	Objective 12
Seafood cookery demonstrations at Swansea market	●	●		●					●	●	●	●
Assessment of the oyster stock/population			●				●		●	●	●	●
Fish is the dish 2020	●	●		●					●	●	●	●
Copper Jack Feasibility Study			●	●		●	●	●	●	●	●	●
Burry Port Auction House Feasibility Study	●		●		●		●					●
Mobile Pontoon on River Tawe			●	●		●	●	●	●	●	●	●
Harbour improvements									●	●	●	
Oyster Restoration Plan				●					●	●	●	●
Ice Machine	●		●	●	●				●			
Total number of projects contributing to the objective	4	2	5	6	2	2	4	2	8	7	7	7
● Project considered to contribute to this objective based on the Lead Body assessment of the project application												

Source: Data provided by SBFLAG Lead Body, August 2021

D.2 Views on the SBFLAG programme impact

Table D4 presents views on the impact of the SBFLAG programme obtained through consultation. Views provided during both the baseline and final evaluations are presented.

Table D4. Views on the impact of the SBFLAG programme obtained through consultation

Baseline Evaluation	Final Evaluation
<p>Benefits of the Projects delivered:</p> <ul style="list-style-type: none"> Projects that have been delivered by the FLAG have been well received. The cookery demonstration held in Swansea Market generated a large crowd and helped boost following and awareness of the FLAG funding scheme, whilst supporting fishing businesses in the region. The market seafood demonstrations were successful. 	<p>Benefits of the Projects delivered:</p> <ul style="list-style-type: none"> The Copper Jack feasibility study helped to secure funding to implement the project, by providing evidence of community support. The Burry Port Auction House feasibility study led to a further funding application to take the work forward. Projects helped raise the profile of seafood (where from, sustainability, how to cook it, health benefits etc.) locally. <p>Expected longer term benefits:</p> <ul style="list-style-type: none"> Safeguard 1.5 FTE staff posts. Raise the profile of the area, highlighting potential for tourism and recreation (i.e. supporting local tourism). Facilitate recreational activity. Support potential diversification opportunities. Enable a local business to add value to existing products, develop new added value products and supply new markets. Additional beneficial impacts could be realised if further funding is approved, with respect to facilitating higher prices and new markets for locally landed fish and shellfish. <p>Could the project have been undertaken without the SBFLAG funding:</p> <ul style="list-style-type: none"> Unlikely funding would have been available from another source. The relatively small amount of FLAG funding will bring considerable benefits to the applicant and other stakeholders. SBFLAG funding reduced the timescale to being able to implement the idea.

E Evaluation Key Messages and Recommendations

This appendix draws together the findings of the final evaluation and notes a number of key recommendations in relation to lessons learned for any future funding programmes targeted at the local fisheries and aquaculture sectors and communities.

E.1 Administration of the SBFLAG and programme design

The budget allocated to the SBFLAG team for the running of the programme does not appear to have been sufficient, as evidenced by the Welsh Government agreeing to cover approximately £99,000 of the FLAG staff time and costs that were incurred for implementing projects, from the Welsh Government's Domestic Funds. The Lead Body also stated that the services of additional Council support staff with the SBFLAG team, was vital to enable them to fulfil their duties. However, as there couldn't be designated support staff, additional time was frequently required to train the support staff that were available. It was noted that in any future funding programmes, it would be useful to have a dedicated supporting resource.

The Lead Body also felt that the Welsh Government system through which they claimed FLAG funding was not appropriate, being designed for rural development programmes rather than the FLAG programme.

Regarding FLAG membership, it was noted that attendance at SBFLAG meetings was variable, leading to the suggestion that any future funding programme should consider strengthening the rules regarding member's attendance at such meetings.

Recommendations:

- Where possible, consistent supporting personnel resources should be available to the Lead Body, to enable the Programme to be delivered in as efficient a manner as possible.
- Where possible, the systems and processes enabling the Lead Body to claim funding from the Intermediate Body (or equivalent) should be appropriate to the funding scheme.
- Adequate funding (for personnel, and travel/subsistence costs) needs to be allocated to ensure efficient running of FLAG processes and support to potential applicants.
- Future funding programmes should consider strengthening the rules regarding member's attendance at meetings.
- It can take a number of years for the FLAG to embed itself with the community, build relationships and encourage the development of project ideas. A minimum FLAG implementation period of 5 years is therefore recommended.

There appeared to be consensus amongst the stakeholders interviewed (Lead Body, SBFLAG members and applicants) that the Welsh Government EMFF Guidance Note was difficult to understand and that, certainly at the start of the programme, this led to misinterpretations of what was eligible for funding and the opinion that the application process was complicated and unclear.

However, views provided by consultees for this final evaluation were very positive regarding the support and interpretation regarding eligibility that they received from the Lead Body animator during project applications made in 2021. Furthermore, it was stated that the SBFLAG application forms were well designed, clearly setting out the information required.

Recommendations:

- Ensure the funding guidance regarding eligibility and application process is clear and understandable to all.
- Signpost potential applicants to the appropriate funding programme for their project by providing clear information describing what different funding programmes are designed for.
- Outreach and communications should target potential applicants and consider the most appropriate ways of reaching and supporting them (e.g. information sessions at ports/harbours).

E.2 Relevance of funding criteria to local fisheries and aquaculture sectors

There also seemed to be a consensus amongst stakeholders that the funding criteria did not meet the needs of the local fishery and aquaculture sectors very well. Again this seemed to be related, at least in part, to the initial restriction on capital spend elements of proposed projects, which clearly impacted on the number of project ideas and applications that were submitted to the SBFLAG and hence the Lead Body's ability to disburse the funds. Furthermore, it impacted on the composition of the FLAG membership, leading to several fishermen resigning as FLAG members after 18 months of input. It seems unlikely, based on information/opinion provided by stakeholders, and from the level of expenditure of the project implementation budget as of 31 January 2020 (56%), that the full budget for project implementation would have been allocated had the restriction on capital spending not been removed. Indeed, it seems unlikely that the following two objectives in the SBFLAG LDS could have been met without a capital expenditure component being allowed:

- Objective 3: Support delivery of small-scale infrastructure projects to encourage sustainable growth of the industry; and
- Objective 5: Provision of support for trying out new processes or adding value to products to help small companies in the fishing industry to grow

The change in eligibility criteria, which enabled projects with a capital spend element to be approved after January 2021, was suggested by one stakeholder to indicate that the initial scope of the FLAG programme in Wales had not initially been well thought out. This led to the suggestion that any future

funding programmes should set out clearly who the funding is for, what the programme is trying to achieve and provide examples of the kind of projects that would be eligible.

Regarding the future of FLAGs in Wales, one stakeholder suggested that if the Welsh Government is serious about developing a co-management approach to fisheries (i.e. between regulators and industry) in the future, it is worth looking at how the FLAG could be restructured to have a role. For the FLAG to be effective in such a role it would need adequate resources and staff expertise to deliver more effective management and development of fisheries.

Recommendations:

- Future funding programmes should clearly set out the specific aims of the programme, including who the funding is for and examples of the types of projects that may be funded.
- Programme design should consider the potential needs of the target stakeholders and eligibility criteria should reflect these where possible.
- Capital expenditure is often a requirement for projects supporting growth of the fisheries and associated industries and should therefore be a key consideration in the design of eligibility criteria.

E.3 Conclusions

The SBFLAG has provided £285,000 of funding across nine projects to support the local fishing, aquaculture and associated industries in Swansea Bay between 2017 and 2021. The initial implementation of the programme was negatively affected by the exclusion of capital items from the eligibility criteria, which made it difficult to support the local community's needs and resulted in an initially slow uptake and allocation of FLAG funds. Removal of the capital funding restriction, and allocation of an additional sum to project implementation, resulted in rapid allocation and uptake of funds. This was facilitated by the effective relationships the FLAG had built up, and initiation of project ideas, with stakeholders.

Projects were funded that contributed to all 12 LDS objectives. Those objectives that had most projects contributing to them were:

- 9 – making the most of the local natural environment;
- 10 – sustainable and balanced development of the heritage and tourism aspects of the coastline;
- 11 – support for the promotion of cultural heritage, aquaculture and maritime interests; and ▪ 12 – engage communities and local representatives to support and promote the local industry.

Conversely, objectives for building better links with schools, support for new processes or adding value to products, diversification opportunities, and alternative sources of income for the fishing industry, were less well served by the portfolio of projects.

Projects have supported the individual businesses involved, helping them secure further funding (following on from FLAG-funded feasibility studies), safeguard employment and add value to products. More widely, FLAG activities and projects have helped to raise the profile of seafood locally.

FLAG administration and running costs were £95,000, although an additional £99,000 was funded separately by the Welsh Government, to cover the actual costs incurred in attending meetings and providing support to projects and potential applicants. Administration of the programme was supported by Council staff, but a lack of continuity of those staff resulted in an additional training burden for FLAG staff. FLAG members' attendance at meetings fluctuated over the programme, and mechanisms for strengthening their participation should be considered.

Overall, the SBFLAG has supported local fisheries and aquaculture operators and promoted seafood to the local community. The full impact of the FLAG is not yet apparent, as a number of key projects are due for completion in 2022.

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